

State of New Jersey DIVISION OF RATE COUNSEL 140 EAST FRONT STREET, 4<sup>TH</sup> FL P. O. BOX 003 TRENTON, NEW JERSEY 08625

CHRIS CHRISTIE Governor

KIM GUADAGNO Lt. Governor STEFANIE A. BRAND Director

August 19, 2014

By Hand Delivery and Electronic Mail Honorable Kristi Izzo, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> Floor CN 350 Trenton, NJ 08625-0350

# Re: Straw Proposal – Proposed Revisions to the FY2015 Sustainable Biopower <u>Competitive Solicitation – July 22, 2014</u>

Dear Secretary Izzo:

Please accept this original and ten copies of as Comments submitted on behalf of the New Jersey Division of Rate Counsel ("Rate Counsel") in connection with the above-captioned matter. Copies of the comments are being provided to all parties on the e-service list by electronic mail and hard copies will be provided upon request to our office. We are enclosing one additional copy of the comments. Please stamp and date the extra

copy as "filed" and return it in our self-addressed stamped envelope. Thank you for your consideration and assistance.

Respectfully submitted,

STEFANIE A. BRAND Director, Division of Rate Counsel

By:

Sarah H. Steindel, Esq. Assistant Deputy Rate Counsel

SHS/sm

c: <u>OCE@bpu.state.nj.us</u> <u>publiccomments@njcleanenergy.com</u> Elizabeth Ackerman, BPU Marisa Slaten, BPU B. Scott Hunter, BPU Tricia Caliguire, Esq., BPU Rachel Boylan, Esq., BPU Caroline Vachier, DAG

## Straw Proposal Proposed Revisions to the FY15 Sustainable Biopower Competitive Solicitation

#### **Rate Counsel Comments**

#### August 19, 2014

The Division of Rate Counsel ("Rate Counsel") would like to thank the Board of Public Utilities Office of Clean Energy ("OCE" or "Staff") for the opportunity to present comments in response to the Straw Proposal ("FY15 Straw Proposal") for proposed revisions to the Fiscal Year 2015 ("FY15") Biopower Competitive Solicitation, issued July 22, 2014.

The FY15 Straw Proposal recommends a number of modifications to the biopower solicitation issued during Fiscal Year 2014 ("FY14"). The FY14 solicitation, issued on February 20, 2014, received only a one response, which was determined not to meet the eligibility requirement set forth in the solicitation.<sup>1</sup> Staff is recommending the following changes, with the objective of helping to increase participation in this program:

- Allowing "stand alone" projects, <u>i.e.</u>, those neither net metered nor connected to the electric distribution system, to participate.
- Modifying the requirement that applications provide an executed Engineering, Procurement and Construction contract and a feedstock contract as part of the application package. The documents would become evaluation criteria rather than minimum requirements.
- Eliminating the minimum efficiency level of 65% for combined heat and power system, and instead making efficiency level an evaluation criterion rather than a minimum requirement.
- Eliminating a required narrative document, and replacing it with a project summary form.

Rate Counsel continues to support Staff's efforts to move toward incentives that are determined based on a competitive process. Rate Counsel supports the proposed modifications, and looks forward to the results of the FY15 solicitation.

<sup>&</sup>lt;sup>1</sup> FY15 Straw Proposal, p. 1.

## **Deborah Petrisko**

From:	Lance Miller [LRMiller@kleinfelder.com]
Sent:	Thursday, August 21, 2014 5:17 PM
То:	publiccomments@njcleanenergy.com
Subject:	Comments on Biopower Straw Proposal

Please accept these comments slightly after the deadline. These comments are submitted on behalf of Trenton Biogas, LLC.

Trenton Biogas LLC supports the straw proposal with the one clarification noted below. The proposed revisions contained in the straw proposal would make for a more effective and efficient solicitation. If a solicitation is issued with these provisions and the one clarification below, Trenton Biogas believes it would be able to submit an application that would qualify.

The one clarification is in Behind-the-Meter, Net Metering and Interconnection Requirements. In addition to the modifications proposed in this section, Trenton Biogas suggests that the "stand alone" concept also include the capability for a generating system to export some of the power to a facility on a contiguous property. This would cover a situation where the biopower facility generates excess electricity that could be used at an adjacent facility.

Thank you for your consideration of these comments.

Lance Miller Kleinfelder on behalf of Trenton Biogas, LLC